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GOVERNMENT ESTABLISHES GRAIN-CONTROL PLAN;
 USSR GETS QUANTITIES OF CHINESE FOODSTUFFS

VAST GRAIN DISTRIBUTION MOVEMENT IN PROGRESS -- Hong Kong Wen-hui Pao, 17 Mar 50

Peiping, 15 February (Hsin-hua) -- A vast, historically unprecedented, nationwide movement of grain is occurring in China today to feed the cities and famine areas, to equalize supply and demand, and to balance prices of grain and cotton. At the same time, it is reducing the need for foreign food imports, which in previous years reached the great figure of 5 billion pounds in a single year. This expenditure, which not only used up much foreign exchange but also left some grain-producing areas of the country glutted with an unsalable crop of surplus grain, was due to the lack of an over-all plan of action.

The over-all plan of action now being carried out has been made possible only because of the present unified control of the resources of the entire country. Last winter, the Ministry of Finance convened a national grain conference at which it was decided that the public grain collected throughout the whole nation would be at the disposal of the ministry, and that aside from direct allotments for the military, the Ministry of Trade might place the balance on the market. With this supply at its disposal, the state-operated grain companies can take the lead over the private operators.

Two additional conferences of those responsible for the handling of the grain have resulted in a good understanding of the production and market requirements of the country and a comprehensive plan for the feeding of all surpluses into the markets where they are needed. The result will be a leveling of prices everywhere and the prevention of pockets of excessively high prices.

DEVELOPS FAMINE RELIEF PLANS -- Hong Kong Wen-hui Pao, 17 Mar 50

Two recent conferences held by the Ministry of Trade of the Central government have revealed that there are sizeable surpluses of cereals in the Northeast, Inner Mongolia, Central and South, and Southwest China over and above the needs of the military and the local population. It is planned, therefore, to take part of the

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Northeast's and all of Inner Mongolia's surplus to relieve the shortage in North China. The greatest shortage is in East China including Shanghai. For the relief of this area, another portion of the surplus from the Northeast, and that from Central and South China and Szechwan will be employed. Other smaller surpluses include: from interior points such as from the Ch'ang-chih Hsien, Shansi, area into the Han-tan, Hopeh, area; and from northeastern Hupeh into northern Anhwei, from whence grain can be sent to Shanghai.

Also, 260 million pounds of rice can be moved from Hunan and Kiangsi into Kwangtung; and 26 million pounds of wheat have already been shipped to Hsi-an from Honan to maintain a price balance between cotton and grain.

From the Northeast, 156 million pounds of various cereals have already reached the famine area in Hopeh. One third of the Inner Mongolian surplus has already reached Peiping. Northeast and Yangtze valley rice is reaching Shanghai in great volume.

OVER ONE MILLION TONS OF FOODSTUFF SHIPPED TO USSR -- Hong Kong Hu-shang Pao,
21 Mar 50

Based on information reported from Shanghai, more than 854,000 tons of foodstuff from southern Kiangsu and Anhwei were shipped by the CCF to Northeast China to be rerouted to the USSR between May and December 1949, and in January 1950 an additional 300,000 tons were shipped.

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